



**Denali Commission  
Quarterly Progress Report  
April 1 – June 30, 2020**

SWAMC Staff: Shirley Marquardt, Executive Director; Laura Vaught, Economic Development Specialist

Project Status: The project is on schedule, on budget, and has not experienced any problems to date, other than impacts from the COVID-19 pandemic.

## **INFRASTRUCTURE**

### **Rural Broadband**

SWAMC staff has met several times with Harold Johnston of Alaska Tribal Broadband to better understand and help with outreach on the 2.5 GHz Rural Tribal Window which is scheduled to close on August 3. SWAMC has participated in webinars and has notified our region through newsletter articles and mass emails highlighting this extremely valuable opportunity for tribes to access unassigned broadband spectrum for free.

SWAMC submitted an application in early June for supplemental EDA CARES Act funding to help our region with COVID-19 mitigation, response, and resiliency. Part of the proposed project focused on broadband development: SWAMC would engage the private sector and public organizations to provide planning and technical support to stakeholders to prepare for and seize upcoming broadband opportunities. These opportunities include helping tribes obtain the free 2.5 GHz spectrum license (if the application period is extended) and helping stakeholders with broadband planning so that they can be shovel-ready for federal infrastructure grants. The pandemic has underscored how critically a broadband solution is needed in the region, as poor internet service has hampered the ability of students to continue education through online classes, local governments to receive and share critical information on COVID-19 assistance and resources, businesses to access federal and state relief funds, and health care providers to provide telemedicine services in the region. Staff is still waiting on a response from EDA.

## **TRANSPORTATION**

### **Alaska Marine Highway System**

Marquardt continues to advocate for the AMHS being funded to provide basic service while the Governor's Reshaping Team analyzes the system's failings while evaluating options for service. As a past member of the Marine Transportation Advisory Board, Marquardt has direct contact and information sharing with the operating structure of the system and the SW Coastal communities that depend on them. Marquardt is working closely with the Southeast Conference Executive Director Robert Venables who is also on Governor Dunleavy's AMHS Re-Shaping Team. The AMHS is a vital economic connector in the SWAMC region for municipalities, fisheries participants, construction companies, and businesses, and its sustainability is of great importance in our region. Marquardt is also communicating with State Legislators

regarding the funding and construction of the Tustumena and following the work of the AMHS management in Ketchikan as they struggle to avoid the Buy America Act restrictions on critical marine engineering that is not available in the US. Marquardt participates in the bi-weekly reshaping work group discussions via the ZOOM sessions and teleconferences. There are tremendous challenges to the management of the system that are now being identified and analyzed. The deadline for recommendations to the Governor is September 30.

### **Air Transportation**

Marquardt has participated in online Town Hall events with our Federal Delegates regarding the disastrous loss of scheduled air transportation in the SWAMC region due to the recent decision by Ravn Air Group to cease all operations due to the COVID-19 impact on air transportation. Marquardt communicated regularly with Alaska Airlines management regarding planned service to resume in May for at least six communities that are not on the road system and are currently cut off from necessary travel, cargo, and mail service. Marquardt is also communicating with the Governor's Rural Advocate designee, John Moller, to stay up to date on State reaction and possible alternative carriers that can step into the void caused by Ravn Air Group's bankruptcy declaration. Marquardt linked air carriers based out of Anchorage with fishing industry organizations to support additional service to our region in light of the intent by the State of Alaska to open the summer salmon fisheries. Marquardt facilitated a teleconference between the City of Unalaska, the new owners of the RAVN assets, the DOT Commissioner, the VP of PSPA, and Alaska Airlines to start planning for the big push at the end of B season in September and the start of A season in January. They will be meeting monthly through the summer and more often as needed.

## **ENERGY**

SWAMC has begun work on the third round of the USDA REDA grant (awarded in March) to provide subsidized energy audits to businesses statewide. The goal of this program is to help business owners obtain an energy audit and access funding to install energy efficiency upgrades identified in the audit. Many fishing vessel owners have participated in the program in order to upgrade to refrigerated seawater (RSW) systems to chill their catch. This simple yet critical step allows the fisherman to get top dollar for his/her salmon at delivery. SWAMC and partners Information Insights have been working with the Bristol Bay Regional Seafood Development Association (BBRSDA) for their assistance with understanding the best outreach methods and timing to reach the Bristol Bay fleet members who still have yet to upgrade to an RSW system. Event-based outreach at the Bristol Bay Fish Expo in Naknek and Biz of Fish in Dillingham has not been able to occur as planned due to the COVID-19 pandemic. Denali Commission funding is being used to help support this energy audit program by providing non-Federal match.

## **RESOURCES**

### **Seafood**

SWAMC worked closely with seafood processors, harvesters, CDQ groups and fishery-dependent communities unsure of the future of their highly valuable summer salmon fisheries due to the COVID-19

concerns. Rural communities who depend on the fishery for individual income, small business income, and municipal tax revenue struggled with the question of whether to open the fisheries and capture critical revenue or close the fisheries this summer to protect their communities from possible virus infection. SWAMC has organized teleconferences between the communities in the Aleutians East Borough, the Bristol Bay Borough, and the Lake & Pen Borough to discuss options, concerns, and planning for a fishing season that protects both the communities and participants. Marquardt is communicating directly with seafood organization Executive Directors to get the most up to date information and pass that onto the SWAMC membership via the Board of Directors and the Mayors and Managers of our communities. Marquardt directly linked the Executive Director of the Camai Community Health Center (located in Naknek and serving multiple communities) with Governor Dunleavy's Rural Affairs Advisor, John Moller, in order to support a partnered approach to a successful salmon season in Bristol Bay while meeting the concerns of community leaders for their safety due to the influx of out of state workers and fishermen who participate in the fishery. So far, the planning done by individual communities and the fishing industry have been extremely successful in avoiding COVID spread through communities. Though there have been cases in Bristol Bay, Dutch Harbor, Kodiak, and Sand Point, they have all been contained and no community spread has occurred.

### **Mariculture**

SWAMC is providing in-kind support and supervision to AFDF staff as they work on a USDA Rural Business Development Grant-funded program to provide business assistance to individuals and companies interested in entering the mariculture business: growing sea plants and raising shellfish. Spring and summer site visits were made impossible due to the pandemic and plans to extend funding for these important site visits are underway.

Marquardt worked with Craig Fleener of Alaska Ocean Cluster to identify regulatory roadblocks that can be addressed by the State (DEC, DCCED and DNR) to encourage pilot projects for seaweed and kelp harvesting in the SWAMC region. Interest in mariculture continues to grow, with at least 4 communities in Kodiak and 5 communities in the Aleutians/Pribilofs showing varying degrees of interest, from actively seeking leases for mariculture businesses to general discussion from all large seafood processing companies. The pilot project that Trident Seafoods and the Aleutians East Borough have partnered on very close to Sand Point have become somewhat stagnant with so much attention being paid to the fisheries during this time, so a shift in direction for the time being is focusing on markets, products and processing assets.

SWAMC has worked with Pacific Northwest National Laboratory (PNNL) on a Department of Energy, Advanced Manufacturing Office (AMO)-funded grant application to investigate uses of kelp and seaweed to make various products, including fuel. The project aims to develop viable solutions to processing bottlenecks holding back expansion of kelp production, identifying processes to be conducted in Alaska to produce various products and identify the market potential of those products. PNNL is managing the grant and SWAMC is providing match and managing a Steering Committee made up of stakeholders from the SWAMC region. SWAMC continues to host bi-monthly videoconferences with PNNL and advise them on the marine environment and the business structure of seafood processing plants in the region. The Steering Committee helps to connect them with the processing industry and entrepreneurs in the communities that show interest. Four videoconferences were held during the April-June quarter. Steering Committee member Blue Evolution sent kelp samples from Kodiak to PNNL to analyze in their laboratory. Marquardt connected with the only U.S. producer of seaweed products, called Route 66 and based in New

Jersey, and encouraged their interest in finding a U.S. source of minimally processed seaweed for use in their products. They use South Korean seaweed as they can get it in the bulk quantities they require to serve their restaurant markets across the country. Sushi and handroll sheets are their products. Monica Lee of Route 66 sent Marquardt some samples of their products and they had a valuable conversation about staying in touch and Monica traveling to Alaska when the current health climate permits.

## **WORKFORCE DEVELOPMENT**

### **AmeriCorps VISTA and the Alaska Maritime Workforce Development Plan**

AmeriCorps VISTA volunteer Brooks Duncan has started working with Julia Renfro, Alaska Career Information Service project coordinator with the Alaskan Commission on Post-secondary Education. He has helped add maritime-specific occupational information into the AKCIS database. With the help of ASA and their online platform, they are going to create and deploy custom career awareness and exploration content. Their platform is used by employers as a convenient method for delivering content, reinforcing and verifying knowledge, and introducing new information to workers.

This project will begin with creating a standard outline and material sequence to be used as a basis for maritime occupations. The top 5 occupation clusters that the project will focus on are Fisheries, Seafood Harvester, Seafood Processor, Shipbuilding, and Vessel Repair & Maintenance. In efforts to try and modernize the project, they will be working with 'TotalView' in order to incorporate VR and 3D technology as part of the course work material. They will also be assisted by the University of Alaska Workforce Development and other Alaskan maritime advocacy groups.

## **PARTNERSHIPS**

### **Denali Commission**

SWAMC staff have further developed the list of active and potential projects in the SWAMC region, based on additions from project partners at the Aleutian Pribilof Islands Association, the Bristol Bay Native Corporation, and others. This latest list was sent to Erik Obrien on June 11.

### **ARDORs/Economic Development Organizations**

SWAMC staff has developed a much stronger relationship with the other ARDORs and statewide economic development organizations through regular participation in videoconferences hosted by DCCED (weekly ARDOR call) and Nolan Klouda of UAA Center for Economic Development (biweekly economic developers call). These regular calls have proven to be immensely valuable to learn from others doing similar work, share successes and challenges, give and receive feedback, and better understand initiatives in other parts of the state and the individuals behind them. The DCCED calls are being held for the ARDORs who received state CARES funding to help businesses access COVID-19 relief funds, and the economic developers call has been held since early April in response to the economic crisis resulting from the pandemic. There has been discussion in that call about solidifying the economic developers' group into a more permanent designation to last beyond the current crisis.

### **Alaska State Legislature and Administration**

Marquardt monitored the three House Labor and Commerce committee meetings that tried to address roadblocks to small business grants for a majority of small businesses in the SW region. She also participated by presenting testimony at two of the meetings. They all hear the problems but are curiously unwilling to do anything about it.